



COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
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ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

GAIL FARBER, Director

November 10, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

26 November 10, 2009

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**OPERATING AGREEMENTS BETWEEN THE COUNTY OF LOS ANGELES
AND VARIOUS LOS ANGELES COUNTY WATERWORKS DISTRICTS
(ALL SUPERVISORIAL DISTRICTS)
(4 VOTES)**

SUBJECT

This action is to establish separate operating agreements for Los Angeles County Waterworks Districts 21, 29, 36, 37, and 40 and the County of Los Angeles to perform functions on their behalf.

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY OF THE
COUNTY OF LOS ANGELES AND LOS ANGELES COUNTY WATERWORKS DISTRICT:**

1. Approve the operating agreement with Los Angeles County Waterworks District No. 21, Kagel Canyon, which fixes the terms under which the County of Los Angeles will perform the functions of Waterworks District No. 21, and instruct the Chairman of the County of Los Angeles Board of Supervisors to sign the agreement on behalf of the County of Los Angeles.
2. Approve the operating agreement with Los Angeles County Waterworks District No. 29, Malibu, which fixes the terms under which the County of Los Angeles will perform the functions of Waterworks District No. 29, and instruct the Chairman of the County of Los Angeles Board of Supervisors to sign the agreement on behalf of the County of Los Angeles.
3. Approve the operating agreement with Los Angeles County Waterworks District No. 36, Val Verde, which fixes the terms under which the County of Los Angeles will perform the functions of Waterworks District No. 36, and instruct the Chairman of the County of Los Angeles Board of Supervisors to sign the agreement on behalf of the County of Los Angeles.
4. Approve the operating agreement with Los Angeles County Waterworks District No. 37, Acton,

which fixes the terms under which the County of Los Angeles will perform the functions of Waterworks District No. 37, and instruct the Chairman of the County of Los Angeles Board of Supervisors to sign the agreement on behalf of the County of Los Angeles.

5. Approve the operating agreement with Los Angeles County Waterworks District No. 40, Antelope Valley, which fixes the terms under which the County of Los Angeles will perform the functions of Waterworks District No. 40, and instruct the Chairman of the County of Los Angeles Board of Supervisors to sign the agreement on behalf of the County of Los Angeles.

IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY OF THE SPECIFIED LOS ANGELES COUNTY WATERWORKS DISTRICT:

1. Approve the operating agreement with the County of Los Angeles, which fixes the terms under which the County of Los Angeles will perform the functions of Waterworks No. 21, Kagel Canyon, and instruct the Chairman of the County of Los Angeles Board of Supervisors to sign the agreement on behalf of Waterworks District No. 21.

2. Approve the operating agreement with the County of Los Angeles, which fixes the terms under which the County of Los Angeles will perform the functions of Waterworks District No. 29, Malibu, and instruct the Chairman of the County of Los Angeles Board of Supervisors to sign the agreement on behalf of Waterworks District No. 29.

3. Approve the operating agreement with the County of Los Angeles, which fixes the terms under which the County of Los Angeles will perform the functions of Waterworks District No. 36, Val Verde, and instruct the Chair of the Los Angeles County Board of Supervisors to sign the agreement on behalf of Waterworks District No. 36.

4. Approve the operating agreement with the County of Los Angeles, which fixes the terms under which the County of Los Angeles will perform the functions of Waterworks District No. 37, Acton, and instruct the Chairman of the Los Angeles County Board of Supervisors to sign the agreement on behalf of Waterworks District No. 37.

5. Approve the operating agreement with the County of Los Angeles, which fixes the terms under which the County of Los Angeles will perform the functions of Waterworks District No. 40, Antelope Valley, and instruct the Chairman of the County of Los Angeles Board of Supervisors to sign the agreement on behalf of Waterworks District No. 40.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to formally establish separate operating agreements between each of the Los Angeles County Waterworks Districts (Waterworks District Nos. 21, 29, 36, 37, and 40) and the County of Los Angeles (County). The enclosed agreements provide for the County to perform the Waterworks Districts' functions on their behalf and at their expense. The County Charter provides that the terms and conditions under which such functions are to be performed by the County must be fixed by agreement.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). The recommended actions facilitate the operation of the County Waterworks Districts.

FISCAL IMPACT/FINANCING

These actions will have no impact to the County General Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On December 7, 1984, the County of Los Angeles Board of Supervisors (Board) approved amendments to the County Code that created the Department of Public Works effective January 1, 1985. The Board's actions consolidated the operations of the Road Department, the Los Angeles Flood Control District (Flood Control District), and the County Engineer into the Department of Public Works (Public Works). At that time, your Board approved an operating agreement between the County and the Flood Control District, which fixed the terms under which the County would perform the Flood Control District's functions. However, operating agreements between the County and the Waterworks Districts were not entered into at that time.

Under the provisions of California Water Code, Section 55000 et seq., the Waterworks Districts are separate legal entities, and the board of supervisors is designated as their governing board. Prior to the creation of Public Works, the Waterworks Districts' functions were performed by the County Engineer. Since the consolidation effective January 1, 1985, Public Works has performed the Waterworks Districts' functions in accordance with County Code, Section 2.18.015, and Section 56-3/4 of the County Charter. Section 56-3/4 of the County Charter provides that the board of supervisors may require a County department to perform the functions of any city, district, public agency, or political subdivision in the County and that the terms and conditions under which the functions are to be performed must be fixed by agreement.

This action will approve the required operating contracts between the County and each of the Waterworks Districts, thereby formalizing the terms under which the County performs the Waterworks Districts' functions. In general, the agreements provide that the County will furnish the Waterworks Districts with all employees, services, equipment, property, and facilities needed to perform the Waterworks Districts' functions, and the Waterworks Districts will reimburse the County for any such costs. The agreements also provide that the Waterworks District will indemnify the County for any liability arising from the County's performance of the Waterworks Districts' functions. These are the same terms under which the County has informally performed the functions of the Waterworks Districts since January 1, 1985.

With respect to construction work, State Public Contract Code, Section 20607, provides that the board of supervisors may order and contract for construction work to be done on behalf of Waterworks Districts. It further provides that, if ordered by a four-fifths vote, the board of supervisors may cause the cost of the construction work to be borne by Waterworks Districts. Pursuant to Section 20607, the proposed operating agreements provide that the Waterworks Districts shall reimburse the costs of any construction work performed on their behalf by the County.

The proposed operating agreements have been reviewed and approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

Approval of the proposed operating agreements does not constitute a project pursuant to the California Environmental Quality Act (CEQA) because the agreements involve activities excluded from the definition of a project by Section 15378(b) of the CEQA Guidelines. The proposed agreements constitute organizational and administrative activities of government that will not result in direct or indirect physical changes to the environment.

The Honorable Board of Supervisors

11/10/2009

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IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the enclosed agreements will facilitate the operations of the County Waterworks Districts.

CONCLUSION

Please return one adopted copy of this letter and the operating agreements to the Public Works, Construction Division.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER

Director

GF:JTS:en

Enclosures

c: Chief Executive Office (Lari Sheehan)
County Counsel
Executive Office
Office of Affirmative Action Compliance

OPERATING AGREEMENT

THIS OPERATING AGREEMENT ("AGREEMENT"), is made and entered into this 10th day of November, 2009, by and between the LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 21, KAGEL CANYON ("DISTRICT"), and the COUNTY OF LOS ANGELES ("COUNTY").

WITNESSETH

WHEREAS, DISTRICT is a special district created under the County Waterworks District Law, California Water Code Sections 55000, et. seq., (the "Waterworks District Law"); and

WHEREAS, DISTRICT is empowered, inter alia, to make contracts and to do all acts necessary for the full exercise of all powers vested in DISTRICT, or any of the officers thereof, under the Waterworks District Law; and

WHEREAS, under Water Code Section 55301 of the Waterworks District Law, the Board of Supervisors of the County of Los Angeles ("Board of Supervisors") is designated and empowered to act as the governing board of DISTRICT; and

WHEREAS, under Public Contract Code Section 20607, the Board of Supervisors is authorized to let contracts and provide that the cost be borne by the DISTRICT; and

WHEREAS, DISTRICT has a present and continued need for labor, services, equipment, supplies and facilities to carry out the present and ongoing services, projects, activities, contracting and functions (collectively, the "Functions") of the DISTRICT, as authorized in the Waterworks District Law and the Public Contract Code; and

WHEREAS, COUNTY is authorized to provide the necessary labor, services, equipment, supplies and facilities to carry out the present and ongoing Functions of DISTRICT when requested by the DISTRICT; and

WHEREAS, the parties will mutually benefit by DISTRICT's use of COUNTY's labor, services, equipment, supplies, and facilities; and

NO 77173

WHEREAS, the parties will also mutually benefit by COUNTY's use of DISTRICT labor, services, equipment, supplies and facilities by COUNTY in the performance of COUNTY Functions or DISTRICT Functions under this AGREEMENT.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by both DISTRICT and COUNTY and of the promises herein contained,

(1) COUNTY AGREES:

a. To perform any and all Functions of DISTRICT, as requested by the Director of the Department of Public Works of COUNTY or the director's designee (the "Director").

b. To provide DISTRICT with the necessary employees, services and resources to perform any and all DISTRICT Functions as requested by the Director.

c. To provide DISTRICT with and utilize COUNTY equipment, property, and facilities to supplement DISTRICT equipment, property, and facilities authorized by the Director in performance of DISTRICT Functions.

d. That, no labor, services, equipment, property, facilities or supplies shall be performed for or supplied to DISTRICT hereunder, unless DISTRICT has available funds previously appropriated to cover the cost thereof.

e. To pay DISTRICT for the use-value (as established by COUNTY'S Auditor-Controller) of any DISTRICT labor, services, equipment, property, facilities and supplies utilized by COUNTY to perform activities other than DISTRICT Functions.

f. To indemnify, defend, and save harmless DISTRICT, its agents, officers, and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury or property damage, arising from or connected with COUNTY's use of DISTRICT labor, services, equipment, property, facilities and supplies utilized by COUNTY to perform activities other than DISTRICT Functions.

(2) DISTRICT AGREES:

a. To reimburse COUNTY for the total cost of all goods or services rendered by COUNTY, including labor, services, equipment, property, facilities and supplies provided in COUNTY's performance of this AGREEMENT. Such costs shall include applicable overhead, administration and depreciation in connection with any or all of the aforementioned items.

b. Each year, to provide the COUNTY an annual budget for the DISTRICT ("DISTRICT Budget") setting forth anticipated requirements for the next fiscal year.

c. To utilize COUNTY furnished services, labor, equipment, property, facilities and supplies in the performance of DISTRICT Functions, as determined by the Director, in accordance with DISTRICT Budget.

d. To provide COUNTY with DISTRICT equipment, property, facilities and supplies to supplement COUNTY equipment property and facilities in the performance of DISTRICT Functions, as determined by the Director, in the performance of this AGREEMENT.

e. To indemnify, defend, and save harmless COUNTY, its agents, officers, and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury or property damage, arising from or connected with DISTRICT Functions performed hereunder.

(3) IT IS MUTUALLY UNDERSTOOD AND AGREED:

a. That all personal and real property and equipment owned or leased by COUNTY and all facilities owned or leased by COUNTY, furnished and utilized by COUNTY to perform DISTRICT Functions under this AGREEMENT shall remain the property of COUNTY.

b. That all personal and real property and equipment owned or leased by DISTRICT and all facilities owned or leased by DISTRICT and furnished to and utilized by COUNTY under this AGREEMENT shall remain the property of DISTRICT.

c. That the cost of work performed by COUNTY for DISTRICT under this AGREEMENT, including the cost of services, labor, equipment, property, facilities and supplies, and other direct and indirect costs, shall be charged against funds reserved in the DISTRICT Budget.

d. That the use-value (as established by COUNTY's Auditor-Controller) of any DISTRICT equipment, property, facilities or supplies provided by DISTRICT to COUNTY and utilized by COUNTY to perform DISTRICT Functions under this AGREEMENT shall be used to reduce the charges against the DISTRICT under the immediately preceding paragraph (2)c above.

e. That whenever the Director determines the need for COUNTY to maintain an office, yard or similar facility on DISTRICT property for the performance of DISTRICT Functions, DISTRICT shall furnish at its own cost and expense all necessary office space, furniture and furnishings, office supplies, janitorial services, telephone, light, water and other utilities. Conversely, whenever Director determines the need for COUNTY to maintain an office, yard or similar facility on COUNTY property for the performance of DISTRICT Functions, COUNTY shall charge DISTRICT only that portion of costs attributable to the use of COUNTY office space, furniture and furnishings, office supplies, janitorial services, telephone, light, water and other utilities employed for said DISTRICT Functions.

f. That in the event an office, yard or similar facility is maintained on DISTRICT property for COUNTY's performance of DISTRICT Functions, such quarters may be used by COUNTY in connection with the performance of COUNTY duties not connected with performance of said DISTRICT Functions; provided, however, that payment for such use shall be in accordance with Paragraph (1)e of this AGREEMENT.

g. For the purpose of performing the DISTRICT's Functions under this AGREEMENT; and for the purpose of enhancing the official status to the performance thereof, every COUNTY officer and employee engaged in performing DISTRICT Functions shall be deemed to be an officer or employee of DISTRICT while performing said DISTRICT Functions.

h. That this AGREEMENT may be modified or terminated solely by mutual consent of the parties hereto. Upon termination of the AGREEMENT, any monies owed COUNTY by DISTRICT for services rendered pursuant to paragraph (2)a of this Agreement and any monies owed DISTRICT by COUNTY pursuant to Paragraph (1)e of this Agreement shall become due and payable upon the final date of termination.

i. That the DISTRICT and COUNTY shall have no obligations or responsibilities to each other than as provided herein or by law; further, this AGREEMENT shall not affect in any way any existing debts, obligations or liabilities of the parties hereto.

j. That this AGREEMENT is intended solely for the benefit of the named parties, the COUNTY and the DISTRICT, and there are not third-party beneficiaries.

That this AGREEMENT shall be operative November 10,
2009.

ATTEST: SACHI A. HAMAI
ATTN: EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 21,
KAGEL CANYON

By [Signature], Deputy

NOV 20 2009



[Signature]
Chairman, Board of Supervisors

COUNTY OF LOS ANGELES

[Signature]
Chairman, Board of Supervisors

APPROVED AS TO FORM:

ROBERT E. KALUNIAN
Acting County Counsel

By [Signature]
Deputy County Counsel

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

NOV 10 2009

[Signature]
SACHI A. HAMAI
EXECUTIVE OFFICER

NO 77173

OPERATING AGREEMENT

THIS OPERATING AGREEMENT ("AGREEMENT"), is made and entered into this 10th day of November, 2009, by and between the LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU ("DISTRICT"), and the COUNTY OF LOS ANGELES ("COUNTY").

WITNESSETH

WHEREAS, DISTRICT is a special district created under the County Waterworks District Law, California Water Code Sections 55000, et. seq., (the "Waterworks District Law"); and

WHEREAS, DISTRICT is empowered, inter alia, to make contracts and to do all acts necessary for the full exercise of all powers vested in DISTRICT, or any of the officers thereof, under the Waterworks District Law; and

WHEREAS, under Water Code Section 55301 of the Waterworks District Law, the Board of Supervisors of the County of Los Angeles ("Board of Supervisors") is designated and empowered to act as the governing board of DISTRICT; and

WHEREAS, under Public Contract Code Section 20607, the Board of Supervisors is authorized to let contracts and provide that the cost be borne by the DISTRICT; and

WHEREAS, DISTRICT has a present and continued need for labor, services, equipment, supplies and facilities to carry out the present and ongoing services, projects, activities, contracting and functions (collectively, the "Functions") of the DISTRICT, as authorized in the Waterworks District Law and the Public Contract Code; and

WHEREAS, COUNTY is authorized to provide the necessary labor, services, equipment, supplies and facilities to carry out the present and ongoing Functions of DISTRICT when requested by the DISTRICT; and

WHEREAS, the parties will mutually benefit by DISTRICT's use of COUNTY's labor, services, equipment, supplies, and facilities; and

NO 77174

WHEREAS, the parties will also mutually benefit by COUNTY's use of DISTRICT labor, services, equipment, supplies and facilities by COUNTY in the performance of COUNTY Functions or DISTRICT Functions under this AGREEMENT.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by both DISTRICT and COUNTY and of the promises herein contained,

(1) COUNTY AGREES:

a. To perform any and all Functions of DISTRICT, as requested by the Director of the Department of Public Works of COUNTY or the director's designee (the "Director").

b. To provide DISTRICT with the necessary employees, services and resources to perform any and all DISTRICT Functions as requested by the Director.

c. To provide DISTRICT with and utilize COUNTY equipment, property, and facilities to supplement DISTRICT equipment, property, and facilities authorized by the Director in performance of DISTRICT Functions.

d. That, no labor, services, equipment, property, facilities or supplies shall be performed for or supplied to DISTRICT hereunder, unless DISTRICT has available funds previously appropriated to cover the cost thereof.

e. To pay DISTRICT for the use-value (as established by COUNTY'S Auditor-Controller) of any DISTRICT labor, services, equipment, property, facilities and supplies utilized by COUNTY to perform activities other than DISTRICT Functions.

f. To indemnify, defend, and save harmless DISTRICT, its agents, officers, and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury or property damage, arising from or connected with COUNTY's use of DISTRICT labor, services, equipment, property, facilities and supplies utilized by COUNTY to perform activities other than DISTRICT Functions.

(2) DISTRICT AGREES:

a. To reimburse COUNTY for the total cost of all goods or services rendered by COUNTY, including labor, services, equipment, property, facilities and supplies provided in COUNTY's performance of this AGREEMENT. Such costs shall include applicable overhead, administration and depreciation in connection with any or all of the aforementioned items.

b. Each year, to provide the COUNTY an annual budget for the DISTRICT ("DISTRICT Budget") setting forth anticipated requirements for the next fiscal year.

c. To utilize COUNTY furnished services, labor, equipment, property, facilities and supplies in the performance of DISTRICT Functions, as determined by the Director, in accordance with DISTRICT Budget.

d. To provide COUNTY with DISTRICT equipment, property, facilities and supplies to supplement COUNTY equipment property and facilities in the performance of DISTRICT Functions, as determined by the Director, in the performance of this AGREEMENT.

e. To indemnify, defend, and save harmless COUNTY, its agents, officers, and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury or property damage, arising from or connected with DISTRICT Functions performed hereunder.

(3) IT IS MUTUALLY UNDERSTOOD AND AGREED:

a. That all personal and real property and equipment owned or leased by COUNTY and all facilities owned or leased by COUNTY, furnished and utilized by COUNTY to perform DISTRICT Functions under this AGREEMENT shall remain the property of COUNTY.

b. That all personal and real property and equipment owned or leased by DISTRICT and all facilities owned or leased by DISTRICT and furnished to and utilized by COUNTY under this AGREEMENT shall remain the property of DISTRICT.

c. That the cost of work performed by COUNTY for DISTRICT under this AGREEMENT, including the cost of services, labor, equipment, property, facilities and supplies, and other direct and indirect costs, shall be charged against funds reserved in the DISTRICT Budget.

d. That the use-value (as established by COUNTY's Auditor-Controller) of any DISTRICT equipment, property, facilities or supplies provided by DISTRICT to COUNTY and utilized by COUNTY to perform DISTRICT Functions under this AGREEMENT shall be used to reduce the charges against the DISTRICT under the immediately preceding paragraph (2)c above.

e. That whenever the Director determines the need for COUNTY to maintain an office, yard or similar facility on DISTRICT property for the performance of DISTRICT Functions, DISTRICT shall furnish at its own cost and expense all necessary office space, furniture and furnishings, office supplies, janitorial services, telephone, light, water and other utilities. Conversely, whenever Director determines the need for COUNTY to maintain an office, yard or similar facility on COUNTY property for the performance of DISTRICT Functions, COUNTY shall charge DISTRICT only that portion of costs attributable to the use of COUNTY office space, furniture and furnishings, office supplies, janitorial services, telephone, light, water and other utilities employed for said DISTRICT Functions.

f. That in the event an office, yard or similar facility is maintained on DISTRICT property for COUNTY's performance of DISTRICT Functions, such quarters may be used by COUNTY in connection with the performance of COUNTY duties not connected with performance of said DISTRICT Functions; provided, however, that payment for such use shall be in accordance with Paragraph (1)e of this AGREEMENT.

g. For the purpose of performing the DISTRICT's Functions under this AGREEMENT; and for the purpose of enhancing the official status to the performance thereof, every COUNTY officer and employee engaged in performing DISTRICT Functions shall be deemed to be an officer or employee of DISTRICT while performing said DISTRICT Functions.

h. That this AGREEMENT may be modified or terminated solely by mutual consent of the parties hereto. Upon termination of the AGREEMENT, any monies owed COUNTY by DISTRICT for services rendered pursuant to paragraph (2)a of this Agreement and any monies owed DISTRICT by COUNTY pursuant to Paragraph (1)e of this Agreement shall become due and payable upon the final date of termination.

i. That the DISTRICT and COUNTY shall have no obligations or responsibilities to each other than as provided herein or by law; further, this AGREEMENT shall not affect in any way any existing debts, obligations or liabilities of the parties hereto.

j. That this AGREEMENT is intended solely for the benefit of the named parties, the COUNTY and the DISTRICT, and there are not third-party beneficiaries.

That this AGREEMENT shall be operative November 10,
2009.

ATTEST: SACHIA A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

By [Signature] Deputy
NOV 20 2009



LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 29,
MALIBU

[Signature]
Chairman, Board of Supervisors

COUNTY OF LOS ANGELES

[Signature]
Chairman, Board of Supervisors

NO 77174

APPROVED AS TO FORM:

ROBERT E. KALUNIAN
Acting County Counsel

By [Signature]
Deputy County Counsel

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

26 NOV 10 2009

[Signature]
SACHIA A. HAMAI
EXECUTIVE OFFICER

OPERATING AGREEMENT

THIS OPERATING AGREEMENT ("AGREEMENT"), is made and entered into this 10th day of November, 2009, by and between the LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 36, VAL VERDE ("DISTRICT"), and the COUNTY OF LOS ANGELES ("COUNTY").

WITNESSETH

WHEREAS, DISTRICT is a special district created under the County Waterworks District Law, California Water Code Sections 55000, et. seq., (the "Waterworks District Law"); and

WHEREAS, DISTRICT is empowered, inter alia, to make contracts and to do all acts necessary for the full exercise of all powers vested in DISTRICT, or any of the officers thereof, under the Waterworks District Law; and

WHEREAS, under Water Code Section 55301 of the Waterworks District Law, the Board of Supervisors of the County of Los Angeles ("Board of Supervisors") is designated and empowered to act as the governing board of DISTRICT; and

WHEREAS, under Public Contract Code Section 20607, the Board of Supervisors is authorized to let contracts and provide that the cost be borne by the DISTRICT; and

WHEREAS, DISTRICT has a present and continued need for labor, services, equipment, supplies and facilities to carry out the present and ongoing services, projects, activities, contracting and functions (collectively, the "Functions") of the DISTRICT, as authorized in the Waterworks District Law and the Public Contract Code; and

WHEREAS, COUNTY is authorized to provide the necessary labor, services, equipment, supplies and facilities to carry out the present and ongoing Functions of DISTRICT when requested by the DISTRICT; and

WHEREAS, the parties will mutually benefit by DISTRICT's use of COUNTY's labor, services, equipment, supplies, and facilities; and

WHEREAS, the parties will also mutually benefit by COUNTY's use of DISTRICT labor, services, equipment, supplies and facilities by COUNTY in the performance of COUNTY Functions or DISTRICT Functions under this AGREEMENT.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by both DISTRICT and COUNTY and of the promises herein contained,

(1) COUNTY AGREES:

a. To perform any and all Functions of DISTRICT, as requested by the Director of the Department of Public Works of COUNTY or the director's designee (the "Director").

b. To provide DISTRICT with the necessary employees, services and resources to perform any and all DISTRICT Functions as requested by the Director.

c. To provide DISTRICT with and utilize COUNTY equipment, property, and facilities to supplement DISTRICT equipment, property, and facilities authorized by the Director in performance of DISTRICT Functions.

d. That, no labor, services, equipment, property, facilities or supplies shall be performed for or supplied to DISTRICT hereunder, unless DISTRICT has available funds previously appropriated to cover the cost thereof.

e. To pay DISTRICT for the use-value (as established by COUNTY'S Auditor-Controller) of any DISTRICT labor, services, equipment, property, facilities and supplies utilized by COUNTY to perform activities other than DISTRICT Functions.

f. To indemnify, defend, and save harmless DISTRICT, its agents, officers, and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury or property damage, arising from or connected with COUNTY's use of DISTRICT labor, services, equipment, property, facilities and supplies utilized by COUNTY to perform activities other than DISTRICT Functions.

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b. Each year, to provide the COUNTY an annual budget for the DISTRICT ("DISTRICT Budget") setting forth anticipated requirements for the next fiscal year.

c. To utilize COUNTY furnished services, labor, equipment, property, facilities and supplies in the performance of DISTRICT Functions, as determined by the Director, in accordance with DISTRICT Budget.

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c. That the cost of work performed by COUNTY for DISTRICT under this AGREEMENT, including the cost of services, labor, equipment, property, facilities and supplies, and other direct and indirect costs, shall be charged against funds reserved in the DISTRICT Budget.

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h. That this AGREEMENT may be modified or terminated solely by mutual consent of the parties hereto. Upon termination of the AGREEMENT, any monies owed COUNTY by DISTRICT for services rendered pursuant to paragraph (2)a of this Agreement and any monies owed DISTRICT by COUNTY pursuant to Paragraph (1)e of this Agreement shall become due and payable upon the final date of termination.

i. That the DISTRICT and COUNTY shall have no obligations or responsibilities to each other than as provided herein or by law; further, this AGREEMENT shall not affect in any way any existing debts, obligations or liabilities of the parties hereto.

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That this AGREEMENT shall be operative November 10,
2009.

ATTEST: SACHI A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 36,
VAL VERDE

By [Signature] Deputy

NOV 20 2009



[Signature]

Chairman, Board of Supervisors

COUNTY OF LOS ANGELES

[Signature]

Chairman, Board of Supervisors

APPROVED AS TO FORM:

ROBERT E. KALUNIAN
Acting County Counsel

By [Signature]
Deputy County Counsel

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

26

NOV 10 2009

[Signature]
SACHI A. HAMAI
EXECUTIVE OFFICER

NO 77175

OPERATING AGREEMENT

THIS OPERATING AGREEMENT ("AGREEMENT"), is made and entered into this 10th day of November, 2009, by and between the LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 37, ACTON ("DISTRICT"), and the COUNTY OF LOS ANGELES ("COUNTY").

WITNESSETH

WHEREAS, DISTRICT is a special district created under the County Waterworks District Law, California Water Code Sections 55000, et. seq., (the "Waterworks District Law"); and

WHEREAS, DISTRICT is empowered, inter alia, to make contracts and to do all acts necessary for the full exercise of all powers vested in DISTRICT, or any of the officers thereof, under the Waterworks District Law; and

WHEREAS, under Water Code Section 55301 of the Waterworks District Law, the Board of Supervisors of the County of Los Angeles ("Board of Supervisors") is designated and empowered to act as the governing board of DISTRICT; and

WHEREAS, under Public Contract Code Section 20607, the Board of Supervisors is authorized to let contracts and provide that the cost be borne by the DISTRICT; and

WHEREAS, DISTRICT has a present and continued need for labor, services, equipment, supplies and facilities to carry out the present and ongoing services, projects, activities, contracting and functions (collectively, the "Functions") of the DISTRICT, as authorized in the Waterworks District Law and the Public Contract Code; and

WHEREAS, COUNTY is authorized to provide the necessary labor, services, equipment, supplies and facilities to carry out the present and ongoing Functions of DISTRICT when requested by the DISTRICT; and

WHEREAS, the parties will mutually benefit by DISTRICT's use of COUNTY's labor, services, equipment, supplies, and facilities; and

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WHEREAS, the parties will also mutually benefit by COUNTY's use of DISTRICT labor, services, equipment, supplies and facilities by COUNTY in the performance of COUNTY Functions or DISTRICT Functions under this AGREEMENT.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by both DISTRICT and COUNTY and of the promises herein contained,

(1) COUNTY AGREES:

a. To perform any and all Functions of DISTRICT, as requested by the Director of the Department of Public Works of COUNTY or the director's designee (the "Director").

b. To provide DISTRICT with the necessary employees, services and resources to perform any and all DISTRICT Functions as requested by the Director.

c. To provide DISTRICT with and utilize COUNTY equipment, property, and facilities to supplement DISTRICT equipment, property, and facilities authorized by the Director in performance of DISTRICT Functions.

d. That, no labor, services, equipment, property, facilities or supplies shall be performed for or supplied to DISTRICT hereunder, unless DISTRICT has available funds previously appropriated to cover the cost thereof.

e. To pay DISTRICT for the use-value (as established by COUNTY'S Auditor-Controller) of any DISTRICT labor, services, equipment, property, facilities and supplies utilized by COUNTY to perform activities other than DISTRICT Functions.

f. To indemnify, defend, and save harmless DISTRICT, its agents, officers, and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury or property damage, arising from or connected with COUNTY's use of DISTRICT labor, services, equipment, property, facilities and supplies utilized by COUNTY to perform activities other than DISTRICT Functions.

(2) DISTRICT AGREES:

a. To reimburse COUNTY for the total cost of all goods or services rendered by COUNTY, including labor, services, equipment, property, facilities and supplies provided in COUNTY's performance of this AGREEMENT. Such costs shall include applicable overhead, administration and depreciation in connection with any or all of the aforementioned items.

b. Each year, to provide the COUNTY an annual budget for the DISTRICT ("DISTRICT Budget") setting forth anticipated requirements for the next fiscal year.

c. To utilize COUNTY furnished services, labor, equipment, property, facilities and supplies in the performance of DISTRICT Functions, as determined by the Director, in accordance with DISTRICT Budget.

d. To provide COUNTY with DISTRICT equipment, property, facilities and supplies to supplement COUNTY equipment property and facilities in the performance of DISTRICT Functions, as determined by the Director, in the performance of this AGREEMENT.

e. To indemnify, defend, and save harmless COUNTY, its agents, officers, and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury or property damage, arising from or connected with DISTRICT Functions performed hereunder.

(3) IT IS MUTUALLY UNDERSTOOD AND AGREED:

a. That all personal and real property and equipment owned or leased by COUNTY and all facilities owned or leased by COUNTY, furnished and utilized by COUNTY to perform DISTRICT Functions under this AGREEMENT shall remain the property of COUNTY.

b. That all personal and real property and equipment owned or leased by DISTRICT and all facilities owned or leased by DISTRICT and furnished to and utilized by COUNTY under this AGREEMENT shall remain the property of DISTRICT.

c. That the cost of work performed by COUNTY for DISTRICT under this AGREEMENT, including the cost of services, labor, equipment, property, facilities and supplies, and other direct and indirect costs, shall be charged against funds reserved in the DISTRICT Budget.

d. That the use-value (as established by COUNTY's Auditor-Controller) of any DISTRICT equipment, property, facilities or supplies provided by DISTRICT to COUNTY and utilized by COUNTY to perform DISTRICT Functions under this AGREEMENT shall be used to reduce the charges against the DISTRICT under the immediately preceding paragraph (2)c above.

e. That whenever the Director determines the need for COUNTY to maintain an office, yard or similar facility on DISTRICT property for the performance of DISTRICT Functions, DISTRICT shall furnish at its own cost and expense all necessary office space, furniture and furnishings, office supplies, janitorial services, telephone, light, water and other utilities. Conversely, whenever Director determines the need for COUNTY to maintain an office, yard or similar facility on COUNTY property for the performance of DISTRICT Functions, COUNTY shall charge DISTRICT only that portion of costs attributable to the use of COUNTY office space, furniture and furnishings, office supplies, janitorial services, telephone, light, water and other utilities employed for said DISTRICT Functions.

f. That in the event an office, yard or similar facility is maintained on DISTRICT property for COUNTY's performance of DISTRICT Functions, such quarters may be used by COUNTY in connection with the performance of COUNTY duties not connected with performance of said DISTRICT Functions; provided, however, that payment for such use shall be in accordance with Paragraph (1)e of this AGREEMENT.

g. For the purpose of performing the DISTRICT's Functions under this AGREEMENT; and for the purpose of enhancing the official status to the performance thereof, every COUNTY officer and employee engaged in performing DISTRICT Functions shall be deemed to be an officer or employee of DISTRICT while performing said DISTRICT Functions.

h. That this AGREEMENT may be modified or terminated solely by mutual consent of the parties hereto. Upon termination of the AGREEMENT, any monies owed COUNTY by DISTRICT for services rendered pursuant to paragraph (2)a of this Agreement and any monies owed DISTRICT by COUNTY pursuant to Paragraph (1)e of this Agreement shall become due and payable upon the final date of termination.

i. That the DISTRICT and COUNTY shall have no obligations or responsibilities to each other than as provided herein or by law; further, this AGREEMENT shall not affect in any way any existing debts, obligations or liabilities of the parties hereto.

j. That this AGREEMENT is intended solely for the benefit of the named parties, the COUNTY and the DISTRICT, and there are not third-party beneficiaries.

That this AGREEMENT shall be operative November 10,
2009.

ATTEST: SACHI A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 37,
ACTON

By [Signature], Deputy
NOV 20 2009



[Signature]
Chairman, Board of Supervisors

COUNTY OF LOS ANGELES

[Signature]
Chairman, Board of Supervisors

NO 77176

APPROVED AS TO FORM:

ROBERT E. KALUNIAN
Acting County Counsel

By [Signature]
Deputy County Counsel

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

26 NOV 10 2009

[Signature]
SACHI A. HAMAI
EXECUTIVE OFFICER

OPERATING AGREEMENT

THIS OPERATING AGREEMENT ("AGREEMENT"), is made and entered into this 10th day of November, 2009, by and between the LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY ("DISTRICT"), and the COUNTY OF LOS ANGELES ("COUNTY").

WITNESSETH

WHEREAS, DISTRICT is a special district created under the County Waterworks District Law, California Water Code Sections 55000, et. seq., (the "Waterworks District Law"); and

WHEREAS, DISTRICT is empowered, inter alia, to make contracts and to do all acts necessary for the full exercise of all powers vested in DISTRICT, or any of the officers thereof, under the Waterworks District Law; and

WHEREAS, under Water Code Section 55301 of the Waterworks District Law, the Board of Supervisors of the County of Los Angeles ("Board of Supervisors") is designated and empowered to act as the governing board of DISTRICT; and

WHEREAS, under Public Contract Code Section 20607, the Board of Supervisors is authorized to let contracts and provide that the cost be borne by the DISTRICT; and

WHEREAS, DISTRICT has a present and continued need for labor, services, equipment, supplies and facilities to carry out the present and ongoing services, projects, activities, contracting and functions (collectively, the "Functions") of the DISTRICT, as authorized in the Waterworks District Law and the Public Contract Code; and

WHEREAS, COUNTY is authorized to provide the necessary labor, services, equipment, supplies and facilities to carry out the present and ongoing Functions of DISTRICT when requested by the DISTRICT; and

WHEREAS, the parties will mutually benefit by DISTRICT's use of COUNTY's labor, services, equipment, supplies, and facilities; and

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WHEREAS, the parties will also mutually benefit by COUNTY's use of DISTRICT labor, services, equipment, supplies and facilities by COUNTY in the performance of COUNTY Functions or DISTRICT Functions under this AGREEMENT.

NOW, THEREFORE, in consideration of the mutual benefits to be derived by both DISTRICT and COUNTY and of the promises herein contained,

(1) COUNTY AGREES:

a. To perform any and all Functions of DISTRICT, as requested by the Director of the Department of Public Works of COUNTY or the director's designee (the "Director").

b. To provide DISTRICT with the necessary employees, services and resources to perform any and all DISTRICT Functions as requested by the Director.

c. To provide DISTRICT with and utilize COUNTY equipment, property, and facilities to supplement DISTRICT equipment, property, and facilities authorized by the Director in performance of DISTRICT Functions.

d. That, no labor, services, equipment, property, facilities or supplies shall be performed for or supplied to DISTRICT hereunder, unless DISTRICT has available funds previously appropriated to cover the cost thereof.

e. To pay DISTRICT for the use-value (as established by COUNTY'S Auditor-Controller) of any DISTRICT labor, services, equipment, property, facilities and supplies utilized by COUNTY to perform activities other than DISTRICT Functions.

f. To indemnify, defend, and save harmless DISTRICT, its agents, officers, and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury or property damage, arising from or connected with COUNTY's use of DISTRICT labor, services, equipment, property, facilities and supplies utilized by COUNTY to perform activities other than DISTRICT Functions.

(2) DISTRICT AGREES:

a. To reimburse COUNTY for the total cost of all goods or services rendered by COUNTY, including labor, services, equipment, property, facilities and supplies provided in COUNTY's performance of this AGREEMENT. Such costs shall include applicable overhead, administration and depreciation in connection with any or all of the aforementioned items.

b. Each year, to provide the COUNTY an annual budget for the DISTRICT ("DISTRICT Budget") setting forth anticipated requirements for the next fiscal year.

c. To utilize COUNTY furnished services, labor, equipment, property, facilities and supplies in the performance of DISTRICT Functions, as determined by the Director, in accordance with DISTRICT Budget.

d. To provide COUNTY with DISTRICT equipment, property, facilities and supplies to supplement COUNTY equipment property and facilities in the performance of DISTRICT Functions, as determined by the Director, in the performance of this AGREEMENT.

e. To indemnify, defend, and save harmless COUNTY, its agents, officers, and employees from and against any and all liability, expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to, bodily injury, death, personal injury or property damage, arising from or connected with DISTRICT Functions performed hereunder.

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c. That the cost of work performed by COUNTY for DISTRICT under this AGREEMENT, including the cost of services, labor, equipment, property, facilities and supplies, and other direct and indirect costs, shall be charged against funds reserved in the DISTRICT Budget.

d. That the use-value (as established by COUNTY's Auditor-Controller) of any DISTRICT equipment, property, facilities or supplies provided by DISTRICT to COUNTY and utilized by COUNTY to perform DISTRICT Functions under this AGREEMENT shall be used to reduce the charges against the DISTRICT under the immediately preceding paragraph (2)c above.

e. That whenever the Director determines the need for COUNTY to maintain an office, yard or similar facility on DISTRICT property for the performance of DISTRICT Functions, DISTRICT shall furnish at its own cost and expense all necessary office space, furniture and furnishings, office supplies, janitorial services, telephone, light, water and other utilities. Conversely, whenever Director determines the need for COUNTY to maintain an office, yard or similar facility on COUNTY property for the performance of DISTRICT Functions, COUNTY shall charge DISTRICT only that portion of costs attributable to the use of COUNTY office space, furniture and furnishings, office supplies, janitorial services, telephone, light, water and other utilities employed for said DISTRICT Functions.

f. That in the event an office, yard or similar facility is maintained on DISTRICT property for COUNTY's performance of DISTRICT Functions, such quarters may be used by COUNTY in connection with the performance of COUNTY duties not connected with performance of said DISTRICT Functions; provided, however, that payment for such use shall be in accordance with Paragraph (1)e of this AGREEMENT.

g. For the purpose of performing the DISTRICT's Functions under this AGREEMENT; and for the purpose of enhancing the official status to the performance thereof, every COUNTY officer and employee engaged in performing DISTRICT Functions shall be deemed to be an officer or employee of DISTRICT while performing said DISTRICT Functions.

h. That this AGREEMENT may be modified or terminated solely by mutual consent of the parties hereto. Upon termination of the AGREEMENT, any monies owed COUNTY by DISTRICT for services rendered pursuant to paragraph (2)a of this Agreement and any monies owed DISTRICT by COUNTY pursuant to Paragraph (1)e of this Agreement shall become due and payable upon the final date of termination.

i. That the DISTRICT and COUNTY shall have no obligations or responsibilities to each other than as provided herein or by law; further, this AGREEMENT shall not affect in any way any existing debts, obligations or liabilities of the parties hereto.

j. That this AGREEMENT is intended solely for the benefit of the named parties, the COUNTY and the DISTRICT, and there are not third-party beneficiaries.

That this AGREEMENT shall be operative November 10,
2009.

ATTEST: SACHI A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 40,
ANTELOPE VALLEY

By [Signature] Deputy
NOV 20 2009



[Signature]
Chairman, Board of Supervisors

COUNTY OF LOS ANGELES

[Signature]
Chairman, Board of Supervisors

NO 77177

APPROVED AS TO FORM:

ROBERT E. KALUNIAN
Acting County Counsel

By [Signature]
Deputy County Counsel

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

NOV 10 2009

[Signature]
SACHI A. HAMAI
EXECUTIVE OFFICER